

July 2014

Fund Description

Investment strategy:	equity, sub-debt
Investment objective:	aims to generate consistent yearly returns through investing into the projects with long term off-take agreements, proven technology and strong contractor guarantees
Primary investment focus:	renewable energy projects <ul style="list-style-type: none"> - PV solar plants - Wind farms - Small hydro power plants - Waste-to-energy facilities - Combined heat & power production - Biogas power plants - Biomass facilities
Region Focus:	CEE

Fund

Fund structure:	open ended qualified investors fund
ISIN:	CZ0008474053
Inception:	29th January 2013
AUM:	EUR 21,710 mil.EUR
Strategy capacity:	170 mil. EUR
Base currency share class:	EUR
Available currency share classes:	EUR, CZK
Administrator:	AVANT investiční společnost a.s.
Custodian:	Československá obchodní banka, a.s.
Investment Advisor:	Arca Capital
Minimum Initial subscription:	EUR 125,000
Additional subscription:	EUR 10 000
Dealing day:	First working day in a month
Subscriptions:	monthly
Redemptions:	Quarterly, 90 days period of notice
Lock-up period:	12 months
Target return:	8-9 % p.a. net of fees
Volatility	0,82%
Sharpe Ratio	8,45
FEES	
Up-front Fee:	max. 3% (over 250 000 not applied)
Management Fee:	1,95%
Performance Fee:	30% over 11% threshold

Manager commentary as 31st of July 2014

Portfolio:

Portfolio Performance in July has achieved positive 0,57% m-t-m result with the fund performance heading towards 8-9% p.a. planned yield net of management fees.

1-7/2014 half-year actual vs energetic audit planned production of the assets has reached positive +8,7% overproduction.

The pipeline of the fund for upcoming 3rd - 4th Quarter 2014, stays at confirmed 20 MW of diverse solar, biomass and co-generation projects in Czech and Slovak republic.

New opportunities have appeared in July in Romania and Bulgaria as we have experienced positive development in loosening the additional tax (mainly in Bulgaria), this might lead to higher yield compared to planned ones. The fund will keep an eye on the further steps of the government in these countries and will search for the assets with the highest upside (condition on already grid connected asset must be fulfilled).

Investors:

Distribution process of the Fund shares continues in both Slovak and Czech republic. Supported by the fact that the performance of the fund is easy to forecast and not influenced by any issues coming from the share and bond markets.

We await new sales chains to enter into the sales process since September.

Fund performance *															
		year	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	Oct	Nov	Dec	yearly **
share price	EUR	2013	-	-	-	-	-	0,0991	0,1001	0,1011	0,1017	0,1020	0,1025	0,1029	
		2014	0,1033	0,1037	0,1042	0,1048	0,1054	0,1059	0,1065						
performance	%	2013	-	-	-	-	-	-	1,01%	1,00%	0,59%	0,29%	0,49%	0,49%	7,67%
		2014	0,39%	0,39%	0,48%	0,58%	0,57%	0,47%	0,57%						5,91%

* net of Sponsor and Investment manager fees
** annualized performance

Fund performance - cumulative as of 7/2013 – not annualized



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The price of Shares may go down as well as up and the price will depend on fluctuations in financial markets outside NOVA fund's control, as a result an investor may not get back the amount invested. Past performance is not indicative of future performance.

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Great Britain new solar energy leader in Europe, overcoming Germany

For the first time in the history of European photovoltaics, Germany lost its leadership in the solar industry solar power plant installations. According to Solarninovinky.cz portal, the most current data shows that in 2014, the Great Britain became the new leader in European photovoltaics recording the record-breaking increase of new solar power plants with the output of 1,137 MW.

In the same period in Germany, there were app. 1,000 MW of new solar installations. The downfall of the German photovoltaic market has been going on since the beginning of this year. According to analysts, app. 2,000-2,200 MW will be installed in Germany this year, representing the smallest addition of photovoltaics since 2007.

With the total capacity of 1.1 Gigawatts built in the first half of 2014, the United Kingdom became the leader of European photovoltaic business. According to the British Department for Energy and Climate Change (Decca), at the end of June, there was the total output of 3,926 MW in solar power plants in Britain. The total number of solar installations reached 572,000.

The British solar market is one of the most attractive energy markets in Europe, mainly due to high tariffs for rooftop power plants. The majority of photovoltaic energy installed output of Great Britain comes from photovoltaic systems with installed output of up to 50 kW. Britain is also developing by the segment of large ground-mounted solar panel parks; there are currently 3 GW of new

installations in the process of preparation.

The goal of the British government program is to cover 15 percent of the domestic energy consumption from the renewable sources until 2020. According to Greg Barker, the Minister of Energy and Climate Change, the Great Britain is aiming to expand its installed output of solar power plants up to 20 Gigawatts by 2020, while it is important to keep the smaller rooftop solar panels. Therefore, the solar panels should be utilized by almost 10 million households.

